



National Association of
Community Health Centers, Inc.®

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

August 5, 1998

The Honorable William E. Kennard, Chairman
Federal Communications Commission
Attn: Magalie Roman Salas
Office of the Secretary
1919 M Street, NW
Washington, D.C. 20554

RE: Request for Public Comments on: CC Docket Nos. 97-21, 96-45 and DA 98-1336: The proposed reorganization of the Rural Health Care Corporation (RHCC), School and Libraries Corporation (SLC), and Universal Service Administrative Company (USAC) into one entity.

Dear Chairman Kennard:

The National Association of Community Health Centers, Inc. ("NACHC") is responding to the above-cited Federal Communications Commission's (FCC) solicitation for comments regarding the reorganization of the Rural Health Care Corporation (RHCC), Schools and Libraries Corporation (SLC), and Universal Services Administrative Company (USAC) into one entity. NACHC is concerned with the lack of adequate rural health representation on the board in the FCC's proposal.

NACHC is the representative organization for Federally-supported and Federally-recognized health centers (hereinafter referred to as "health centers" or "FQHCs") throughout the country.

BACKGROUND

There are, at present, 981 health centers nationwide, of which approximately 50 percent are located in rural communities. Most of these centers receive Federal grants under Section 330 of the Public Health Service Act (42 U.S.C. Sec. 254b) from the Bureau of Primary Health Care ("BPHC"), within the Health Resources and Services Administration of the Department of Health and Human Services ("HHS"). Under this authority, health centers fall into three general categories: (1) those centers serving medically underserved (invariably poor) communities, (2)

those serving homeless populations within a particular community or geographic area, and (3) others serving migrant or farmworker populations within similar community or geographic areas.¹ Although there are some slight differences in the grant requirements for each of these three program types, for all intents and purposes, the ways in which these health centers operate are identical.

To qualify as a Section 330 grantee, a health center must be located in a designated medically underserved area or serve a medically underserved population. In addition, a health center's Board of Directors must be composed of at least fifty-one percent (51%) users of the health center, and the health center must be available to serve persons in its catchment area regardless of their ability to pay, unless they are funded only to serve homeless or farmworker populations. BPHC's award of funds is intended to provide sufficient funds to serve uninsured, indigent patients. Patients from eligible communities² who are not indigent and able to pay or who have insurance, public or private, are expected to pay for the services rendered. Approximately thirty-six (36) percent of the patients served by the health centers are Medicaid recipients and approximately nine (9) percent are Medicare beneficiaries.

II. COMMENTS

While NACHC recognizes and appreciates the FCC's efforts to reorganize the RHCC, SLC, and the USAC into one entity, we are very concerned with the low rural health representation on the 18 member governing Board and its seven member Rural Health Care Advisory Committee. With only one rural health care representative included on the Board, we believe that important decisions made by the Board will not adequately reflect rural health interests.

Delivery of health care services in rural America requires multi-faceted expertise to meet the unique telecommunications needs of these communities. Unfortunately, having only one rural health care representative on the board will not address those needs. NACHC urges the FCC to increase the representation of rural health care interests to include members who understand the complexities associated with improving access to quality and affordable health services in rural areas.

In addition, NACHC is very concerned that the Rural Health Care Advisory Committee outlined in the proposal will be ill-equipped to provide the full USAC Board with information and expert advice with only one member of the Committee having rural telehealth experience. In order for the Committee to effectively advise the full USAC Board, Committee members should have

¹ With exception of a small percentage of public health department grantees, each health center is a charitable, non-profit, tax-exempt (IRC Section 501(c)(3)) corporation formed under the laws of the particular State in which it operates, and licensed or authorized under State law to engage in the practice of medicine.

² We use the term "community" in this context to refer to either a geographical area or the specific population toward which the program is aimed.

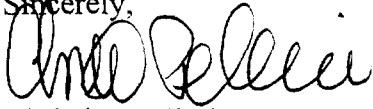
experience and knowledge in telehealth and rural health issues.

NACHC urges the FCC to increase the number of Board members who represent rural health care interests or, at the very least, restructure the committee to allow for non-USAC Board member participation in order to provide more representation to rural health communities. Unless the rural health care community receives additional representation on the new Board and on the Committee, the FCC will not meet the goal of preserving the unique functions, expertise, and mission of the rural health care program.

Please contact me if you have any questions or need further information at (202) 659-8008 ext. 147.

Thank you for the opportunity to provide these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Christine Pellerin", written over the word "Sincerely,".

Christine Pellerin

Federal Affairs Representative